



Financial Security for Life



INSURING AMERICA apci.org



The Council of Insurance Agents & Brokers



SHAPING OUR MUTUAL FUTURE\*



WHOLESALE & SPECIALTY INSURANCE ASSOCIATION

November 12, 2021

The Honorable Jack Reed  
Chairman  
Committee on Armed Services  
United States Senate  
228 Russell Senate Office Building  
Washington, DC 20510

The Honorable James Inhofe  
Ranking Member  
Committee on Armed Services  
United States Senate  
228 Russell Senate Office Building  
Washington, DC 20510

The Honorable Sherrod Brown  
Chairman  
Committee on Banking, Housing, and  
Urban Affairs  
United States Senate  
534 Dirksen Senate Office Building  
Washington, DC 20510

The Honorable Patrick Toomey  
Ranking Member  
Committee on Banking, Housing, and  
Urban Affairs  
United States Senate  
534 Dirksen Senate Office Building  
Washington, DC 20510

Dear Chairmen Reed and Brown and Ranking Members Inhofe and Toomey:

We, the undersigned organizations, write to express our strong support for including the SAFE Banking Act of 2021 in the final, Senate and House negotiated National Defense Authorization Act for Fiscal Year 2022 (NDAA) bill. The House has passed the SAFE Banking Act five times since September 2019 and most recently as part of the NDAA bill the House passed on September 23, 2021. Including the SAFE Banking Act in the NDAA would provide needed clarity for insurance transactions related to cannabis businesses that are otherwise permissible under state law. Collectively, we represent a majority of the companies, agents, and brokers offering property-casualty, life, title, and reinsurance (collectively, “insurers”) in the U.S.

The insurance industry is potentially exposed to liability arising from the differences of the legal treatment of cannabis and cannabis products under federal and state law and regulation at the state level. However, with the inclusion of key language from the Clarifying Law Around Insurance of Marijuana Act, sponsored by Senators Menendez, Paul, Merkley, and Daines, the SAFE Banking Act’s safe harbor provisions would prevent federal criminal prosecution of and civil liability for agents, brokers, and insurers, their officers, directors or employees when engaging in the business of insurance in states that have legalized cannabis in some form.

By resolving the legal uncertainty presented by the dueling state and federal treatment of cannabis, the insurance industry can serve both cannabis-related legitimate businesses (CRLBs) and other commercial and personal lines consumers who may have a direct or indirect relationship to state-legalized cannabis, and still be in compliance with the law. Insurers must also continue to satisfy all applicable state statutory or regulatory requirements, such as those pertaining to consumer protections and claims payments.

We greatly appreciate your leadership, your consideration of our views, and look forward to continuing to work with you and Congress to ensure our industry is not caught between conflicting obligations under federal and state law.

Sincerely,

American Land Title Association (ALTA)

American Council of Life Insurers (ACLI)

American Property Casualty Insurance Association (APCIA)

The Council of Insurance Agents & Brokers (CIAB)

Independent Insurance Agents & Brokers of America (IIABA)

National Association of Mutual Insurance Companies (NAMIC)

National Association of Professional Insurance Agents (PIA)

Reinsurance Association of America (RAA)

Wholesale & Specialty Insurance Association (WSIA)